

House Republican Press Release

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Rep. Miller: Congress Must Probe Role of Speculators In Record-High Oil Prices



With oil prices at an all time high and climbing almost every week, the U. S. Congress should investigate the role oil futures traders at the New York Mercantile Exchange are playing in pushing prices through the roof, state Representative Lawrence G. Miller, R-122nd District, said today.

“Although the increasing worldwide appetite for oil and the fact that virtually no new refineries have been built in the United States for the past 30 years are major factors in today’s high prices, they do not tell the full story,” said Representative Miller. “Speculators at the New York Mercantile Exchange in New York also bear a significant share of the blame. These futures traders who are betting that prices for this commodity are going to continue spiraling upward in the weeks and months ahead have been artificially inflating the already high price of oil all summer.”

“The oil price problem is rapidly becoming a crisis that is eating away at people’s incomes and wreaking havoc with their lives,” Representative Miller said. “Out of control oil prices are especially devastating to people on fixed incomes. If home heating oil prices go up this winter the way gasoline prices did this summer, many retirees and disabled persons could be forced to decide between paying more to keep their homes warm and spending less on food and prescription drugs.”

“Despite the looming threat to our country’s economy and to the health and security of our citizens, our elected federal representatives are wasting their time fighting over judicial and executive nominations. Instead, they should be focusing their attention on an imminent oil price crisis that will hurt everyone in the United States unless it is dealt with promptly and firmly. The Congress must mount an investigation into the way speculators at the Mercantile Exchange influence oil prices and implement reforms that reduce or eliminate the role they play in artificially increasing oil prices,” Representative Miller said.

Representative Miller said the Congress should consider several initiatives to ease the crisis, including:

- Requiring multi-national companies to disclose to the U. S. Department of Energy the number of oil contracts they may have at any given time.
- Prohibiting such companies from playing both ends of the oil futures market.
- Investigating possible collusion between oil traders and the petroleum industry.
- Imposing temporary controls to curb major increases in gasoline, home heating oil and natural gas prices over the next few months until prices stabilize.